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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91209647
Party	Defendant Middleburg Real Estate, LLC
Correspondence Address	MICHAEL T MURPHY K & L GATES LLP PO BOX 1135 CHICAGO, IL 60690 UNITED STATES chicago.trademarks@klgates.com, michael.murphy@klgates.com, daniel.hwang@klgates.com
Submission	Reply in Support of Motion
Filer's Name	Daniel Hwang
Filer's e-mail	chicago.trademarks@klgates.com, michael.murphy@klgates.com, daniel.hwang@klgates.com
Signature	/Daniel Hwang/
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In re: Application Serial No.: 85/629,450
For the Mark: ATOKA PROPERTIES

Jorge J. Carnicero,

Opposer,

v.

Opposition No. 91/209647

Middleburg Real Estate, LLC

Applicant.

**APPLICANT’S REPLY TO OPPOSER’S OPPOSITION TO
MOTION TO STAY AND SUSPEND PENDING OUTCOME OF CIVIL ACTION**

Applicant, Middleburg Real Estate, LLC (“Applicant”) hereby replies and again requests that the case be stayed. While Opposer points out differences between the Opposition and the DC Case, it is undisputed that Opposer in the DC Case has challenged the Applicant’s right to register ATOKA PROPERTIES. Central to resolution of that trademark dispute in the DC Case is a determination of whether ATOKA PROPERTIES is owned by the 2008 Trust. Based on this claim of ownership, Opposer seeks to enjoin Peter Pejacsevich, an owner of Applicant, from registering ATOKA PROPERTIES. Only the “owner” of a trademark may file to register. A ruling on ownership of the ATOKA PROPERTIES mark in the DC Case, or an injunction against registering the mark will necessarily have a bearing on the Board’s proceeding, or at a minimum, present an inconsistent result.

Finally, a stay is also appropriate in view of active settlement discussions involving the parties in the DC Case, this Opposition as well as the Opposition to ATOKA PROPERTIES filed by Chevy Chase Trust.

I. TRADEMARK OWNERSHIP ISSUES IN DC CASE HAVE A CLEAR BEARING ON THE OPPOSITION

A. Opposer Has Challenged the Right to Register ATOKA PROPERTIES in the DC Case.

Opposer asserts in the DC Case that Peter Pejacsevich improperly attempts to register ATOKA PROPERTIES. *See* Carnicero Compl. ¶127(e),

127. Peter [Pejacsevich] has also breached the Consent by, among other things:

...

e. **Improperly and unlawfully seeking to register the names Atoka, Atoka Farm, and Atoka Properties in the Trademark Applications, and then failing and refusing to abandon the Trademark Applications**, in violation of the Consent in that Peter is required to "execute such further documents as may be reasonably required or appropriate to effectuate the provisions of the Settlement Agreement (emphasis added).

Opposer further asserts that Mr. Pejacsevich filed the ATOKA PROPERTIES application *through the Applicant Middleburg Real Estate, LLC*. *See* Carnicero Compl. ¶¶116(f) and 102.

B. Central To Resolution Of That Trademark Dispute In The DC Case Is A Determination Of Whether ATOKA PROPERTIES Is Owned By The 2008 Trust, not Applicant.

Opposer asserts in the DC Case that the name ATOKA PROPERTIES is owned by the 2008 Trust and therefore should not be registered by Mr. Pejacsevich. *See* Carnicero Compl. ¶104,

104. By electronic mail on or about October 24, 2012, counsel for CCT indicated that CCT was inclined to permit Peter, by express agreement, to register the name "Atoka Properties." **Counsel for CCT did not provide any reason why Peter should be entitled to register the name "Atoka Properties," a name which belongs to and is the intellectual property of the 2008 Trust.** Carnicero Compl. ¶104 (emphasis added).

Certainly Mr. Pejacsevich cannot have breached any contract by seeking to register ATOKA PROPERTIES if the Court finds that the 2008 Trust does not own the ATOKA PROPERTIES mark. Similarly, the related claims asserted against other defendants rely on a ruling whether the 2008 Trust is indeed the owner of the ATOKA PROPERTIES name, and not Applicant

Middleburg Real Estate, LLC, before determining if there is a breach of contract. See Carnicero Compl. ¶¶116(f), 122(k), and 127(e)¹,

116. Jacqueline [Duchange], Inter-Properties and the 2008 Modified Trust, all parties to the Settlement Agreement, have breached the Settlement Agreement by taking actions that materially affected the assets of Inter-Properties, a "Carnicero company," in violation of the Settlement Agreement. These actions include, but are not limited to:

...

f. Permitting Peter [Pejacsevich], **both personally and through Middleburg Real Estate, LLC, to appropriate to his own use and benefit the trade name "Atoka," without justification or authorization and without accounting to the 2008 Trust for the value of that asset** (emphasis added); and

122. Natalia [Pejacsevich] has breached the Consent by, among other things:

...

k. Consenting to and assisting Peter **in his improper expropriation of the name "Atoka," "Atoka Farm," and "Atoka Properties,"** in breach of the boundaries of her joint right to reside in the main house at Atoka with Peter, her husband (emphasis added).

There is no question that the ATOKA PROPERTIES ownership ruling can have a bearing on the contract claims in the DC Case and the Opposition. Only the "owner" of a trademark may file to register. Lanham Act, Section one. 15 U.S.C. § 1051. This is a classic stay scenario. It is appropriate for the TTAB based on its policy to consider such a ruling by a court. TBMP § 512.02(a).

C. Opposer Seeks to Enjoin Peter Pejacsevich, an Owner of Applicant, From Registering ATOKA PROPERTIES.

Opposer's Complaint in the DC Case requests specific relief from the DC Superior Court to:

"enjoin [Peter Pejacsevich] from registering either 'Atoka,' 'Atoka Farm,' or 'Atoka Properties' with the U.S. Patent and Trademark Office." (Carnicero Compl. p. 30, Count III) (emphasis added).

¹ See above.

If this injunctive relief is granted in the DC Case, this will also have a direct bearing on the Opposition. Opposer treats Peter Pejacsevich and Middleburg Real Estate, LLC as one and the same for purposes of the Complaint in the DC Case by stating Peter Pejacsevich filed to register ATOKA PROPERTIES *through his company Middleburg Real Estate, LLC*, but now tries to distance itself from that. See Carnicero Compl. ¶¶116(f) and 102.

D. Opposer Will Argue That a Favorable Ruling or Injunction will be Binding on Applicant Middleburg Real Estate LLC.

Opposer then contends that there is no ruling or decision from the DC Superior Court that would have any effect upon or be binding on Applicant. As pointed out above, a ruling regarding the ownership of the ATOKA PROPERTIES mark could have a bearing on the right of another to register that mark, as only an “owner” may register. Moreover, without admitting any ruling would be binding on Middleburg Real Estate, LLC, Super. Ct. Civ. R. 65(d) states that an injunction also binds other persons who are in active concert or participation with the parties enjoined. Super. Ct. Civ. R. 65(d) (mirroring FRCP 65(d)(2)). In the event of a favorable ruling as to trademark ownership or injunctive relief against Peter Pejacsevich, no doubt Opposer would argue the ruling was binding upon Middleburg Real Estate, LLC, of which Mr. Pejacsevich is an owner. Opposer would not have sought this relief or injunction if it did not believe the DC Court had the power to enforce it.

II. Meaningful Settlement Activity Is and Has Been Ongoing.

Settlement discussions involving Opposer and regarding ATOKA PROPERTIES have been ongoing. *See* Decl. Andrew Cook, attached hereto as Exhibit A. On Monday July 8, both Counsel for Applicant and counsel for Opposer received a further draft settlement agreement from Ms. Baum, counsel for Chevy Chase Trust. Decl. Andrew Cook ¶10. The agreement would resolve the trademark issues in the Opposition, the CCT Opposition and the DC Case.

Decl. Andrew Cook, ¶8. Applicant intends to provide comments to the other parties this week such that a settlement can be reached.

III. CONCLUSION

This Opposition and the DC Case both involve a dispute regarding the right to register ATOKA PROPERTIES. Determination of ownership of ATOKA PROPERTIES by the DC Court is central to the case, and may be dispositive of the Opposition. Opposer will not be prejudiced by a stay, particularly as it is in its early stages, and no discovery has commenced, and the discovery dates can be extended and reset.

WHEREFORE, Applicant respectfully requests that the Board suspend the Opposition pending disposition of the DC Case, stay all discovery and order Opposer to defer all depositions currently noticed until, and if the Opposition proceedings resume.

Respectfully submitted,

K&L Gates, LLP
Counsel for Applicant

By: /Michael T. Murphy/
Michael T. Murphy
K&L Gates, LLP
P. O. Box 1135
Chicago, Illinois 60690
(202) 778-9176
(312) 827-8185 (fax)
Date: July 10, 2013

CERTIFICATE OF FILING, MAILING AND SERVICE

I hereby certify that on July 10, 2013, the foregoing APPLICANT'S REPLY TO
OPPOSER'S OPPOSITOIN TO APPLICANT'S MOTION TO STAY THE OPPOSITION AND
SUSPEND PROCEEDING PENDING OUTCOME OF CIVIL ACTION is being is being served
by mailing a copy thereof by first-class mail addressed to:

Theresa W. Middlebrook
Holland & Knight LLP
400 South Hope Street
Suite 800
Los Angeles, CA 90071

and by email to: theresa.middlebrook@hklaw.com.

By: /Michael T. Murphy/
Michael T. Murphy
K&L Gates, LLP
P. O. Box 1135
Chicago, Illinois 60690
(202) 778-9176
(312) 827-8185 (fax)
michael.murphy@klgates.com

Exhibit A

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In re: Application Serial No.: 85/629,450
For the Mark: ATOKA PROPERTIES

Jorge J. Carnicero,

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Middleburg Real Estate, LLC

Applicant.

DECLARATION OF ANDREW N. COOK

1. I am a partner at K&L Gates LLP and provide this declaration in support of Applicant's Emergency Motion for Protective Order.
2. I am counsel for defendants Natalia Pejacsevich and Peter Pejacsevich in the Superior Court litigation *Jorge J. Carnicero vs. Jacqueline C. Duchange, Chevy Chase Trust Company, Natalia Pejacsevich, Peter Pejacsevich and Inter-Properties, Inc., Trans- American Aeronautical Corporation*, Case No. 2013-001400 B (the "DC Case").
3. As counsel in the DC Case, I have also been involved in negotiating a potential settlement of the common trademark issues in the Oppositions filed by Jorge Carnicero and by Chevy Chase Trust Company (CCT), (the "Oppositions").
4. I have conferred with Ms. Baum at Pillsbury Winthrop, counsel for CCT, several times over the last weeks.

5. Ms. Baum agreed to facilitate settlement by directly communicating with counsel for Jorge Carnicero, Ms. Michelle Rosati at Holland and Knight, such that an agreement would be reached between all parties including Jorge Carnicero. Ms. Baum prepared and forwarded a draft settlement agreement to me. Ms. Baum and I discussed the settlement agreement terms in late May of 2013.
6. Pursuant to my understanding, Ms. Baum drafted the settlement agreement after engaging in discussions with Ms. Rosati and myself. After reviewing the draft agreement, I forwarded my comments and revisions to Ms. Baum on June 28, 2013.
7. On June 17, 2013, in the DC Case, with the specific consent of all the parties, including Jorge Carnicero, CCT filed a Consent Motion with the Superior Court to continue the initial conference in the case for 90 days to allow settlement discussions to proceed unimpeded by the additional cost of litigation activities and expenses. The Consent Motion stated that the avoidance of litigation activities and expenses during the next 90 days would enhance their respective abilities to resolve the litigation amicably. The Superior Court granted the Consent Motion.
8. The agreement I received from Ms. Baum and returned to her would settle the trademark dispute in the DC Case and the Oppositions, and would bind the parties including Jorge Carnicero.
9. I have conferred with Ms. Baum or her co-counsel on numerous occasions in an effort to facilitate settlement discussions including reaching out to Ms. Baum or her co-counsel on June 18, June 26, June 27 and June 28. In my conversation

with Ms. Baum on June 28, 2013, she promised to forward to me a revised draft of the settlement agreement by July 1, 2013 which she hoped would be in line with her discussions with me and Ms. Rosati, counsel for Jorge Carnicero. When I spoke to Ms. Baum on July 1, 2013 after not having received the revised agreement, she stated that she would have a revised agreement to me by July 3 or soon thereafter.

10. On July 8, 2013, I and Ms. Rosati, counsel for Jorge Carnicero, received from Ms. Baum the expected draft settlement agreement by email.

I declare under penalty of perjury that the foregoing is true and correct.

Date: July 10, 2013

/s/ Andrew N. Cook

Andrew N. Cook (VA Bar 39475)
K&L GATES LLP
1601 K Street, N.W.
Washington, DC 20006
Telephone: (202) 778-9106
Facsimile: (202) 778-9100
Andrew.Cook@KLGates.com